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The Operations Center

News Bulletin

: The Washington Post, Page A1

13 May 1985
Item No. 1

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Sen. Leahy Probes CIA Operations

Independent Inquiry Opened on Program To Counter Terrorism

By Bob Woodward
and Charles R. Babcock
Washington Post Staff Writers

Sen. Patrick J. Leahy (D-Vt.), vice chairman of the Senate Select Committee on Intelligence, said yesterday that he has begun an independent inquiry into a half-dozen CIA operations, including a counter-terrorism program in the Middle East that was canceled after an unauthorized car-bomb blast killed more than 80 in March.

Leahy said he wants to know more about several sensitive operations and seeks more details on others about which he feels the committee wasn't fully informed.

"We're going to review six to seven operations on our own," he said.

Leahy said he did not know of the counter-terrorism plan in Lebanon, but when asked about it last month, he made inquiries "and found out about it on my own." He refused to give further details.

By law and by agreement with the Reagan administration, the chairmen and vice chairmen of the Senate and House intelligence committees are to be informed of all covert CIA activities. An administration source insisted that the committees had been fully informed, both orally and in writing, of all covert or otherwise sensitive operations.

The Washington Post, quoting sources, reported yesterday that President Reagan approved the plan late last year directing the Central Intelligence Agency to train foreign teams to make preemptive strikes against terrorists.

The plan was rescinded after members of the unit hired others to set off, without CIA approval, a car bomb that killed more than 80 people in Beirut on March 8, the sources said. The target, a suspected terrorist leader, escaped unharmed.

"Things have fallen between the cracks," Leahy said. "I do not want

my side to get caught on a Nicaraguan-mining type problem."

A CIA operation to plant mines in harbors in Nicaragua caused controversy last year because several members of the intelligence oversight committees claimed CIA Director William J. Casey had not told them enough about the operation.

Leahy said he feels Casey and other agency officials are willing to answer the committee's questions about any matter. But he said nothing is volunteered if the questions are not framed exactly right.

Leahy said he told other committee Democrats last week that the inquiry is needed because when he became vice chairman in January, he found that he did not know sufficient details of some of the CIA's most secret and potentially controversial operations. He declined to identify the other operations.

Leahy said he told the Democrats he is committing his staff to the inquiry and might ask them also to provide staff assistance. The committee assigns staff members to individual senators.

Sen. Sam Nunn (D-Ga.) said yesterday that he was not able to attend Leahy's meeting of Democratic committee members, held last Thursday. No staff members were present, Nunn said. He added that he would have no comment about Leahy's plan or The Post story.

Leahy said he has good relations with the Senate intelligence committee chairman, David F. Durenberger (R-Minn.), but feels it is necessary to proceed with his own inquiry. Another committee source said, however, that Leahy and Durenberger have basic disagreements about the use of staff re-



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— Sen. Patrick J. Leahy

sources and the direction of the committee.

Durenberger could not be reached for comment yesterday.

But he said in a recent interview that he hopes the committee will not have to spend much of its time dealing with controversial CIA operations. He said he wants to shift the oversight role "from putting out fire to fire prevention."

Durenberger said that, in the past, about 90 percent of the committee's time has been spent on intelligence controversies and that he hopes to reduce that significantly.

Administration spokesmen continued to decline to comment on The Post story.

Secretary of State George P. Shultz, in Israel yesterday, said of the story: "I haven't seen The Washington Post today. I do have a very strong view about terrorism, as is well-known. I also have the view that at this stage, actions will speak a lot louder than words, so I don't have anything to say about it."

Shultz, who has made strong public statements about taking action against terrorists, said later that he has decided, for the time being, not to comment on the general subject of terrorism. While Shultz was in Jerusalem, several terrorist bombs exploded there and one was defused.

Robert Sims, deputy White House press secretary, told United Press International, "We never discuss intelligence matters." But he added that The Post story contained "a lot of speculation."

Sources have said Reagan ordered that only the chairmen and vice chairmen of the intelligence committees be notified of several covert operations undertaken late last year, including the antiterrorist training program in Lebanon. There is some question whether all the details filtered down when Durenberger and Leahy assumed leadership of the Senate committee in January.

Staff writer Don Oberdorfer contributed to this report.

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The Operations Center

News Bulletin

: The Washington Post, Page 1A

12 May 1985

Item No. 1

Antiterrorist Plan Rescinded After Unauthorized Bombing

Sources Say Reagan Approved CIA Covert Training and Support of Squads

Set Up to Preempt Strikes at U.S. Facilities in Mideast

By Bob Woodward and Charles R. Babcock
Washington Post Staff Writers

Late last year, President Reagan approved a covert operation directing the Central Intelligence Agency to train and support several counterterrorist units for strikes against suspected terrorists before they could attack U.S. facilities in the Middle East, according to informed sources.

About four months later, members of one of those units, composed of Lebanese intelligence personnel and other foreigners, acting without CIA authorization, went out on a runaway mission and hired others in Lebanon to detonate a massive car bomb outside the Beirut residence of a militant Shiite leader believed to be behind terrorist attacks on U.S. installations, the sources said.

More than 80 persons were killed and 200 wounded in the car bombing in a Beirut suburb on March 8. The suspected terrorist leader escaped injury.

Faced with an indirect connection to the car bombing, alarmed CIA and Reagan administration officials quickly canceled the entire covert support operation, the sources said.

CIA personnel had no contact with those who actually carried out the car bombing, they said. According to one source, officials of the intelligence agency were upset that one of its most secret and much debated operations had gone astray.

Administration spokesmen had no comment yesterday.

Several intelligence sources said the incident revealed the hazards of trying to fight the "dirty" war of terrorism. Others questioned whether training and support of the covert units might have violated the longstanding prohibition against U.S. involvement in assassinations. One source, skeptical of the short-lived operation, called it "an illustration of how some people learn things the hard way."

Another source said Defense Department officials refused two years ago to give Lebanese units any counterterrorism training because of fears that "we'd end up with hit teams over there The concern was that when some have the capability it can be turned upside down and used offensively. The concern was that one faction would use it on the other factions."

Administration sources said that the congressional oversight committees on intelligence were briefed on the covert support operation in Lebanon after the president approved it late last year, although Reagan specifically directed that only the chairmen and vice chairmen of the Senate and House intelligence committees be informed.

Several sources said there is some question whether the new chairmen and vice chairmen who took over the committees in both chambers in January received full briefings on the operation. Administration sources last week insisted that they had.

Within weeks of the March 8 car bombing and the cancellation of the covert operation in Lebanon, both Robert C. McFarlane, the president's national security affairs adviser, and CIA Director William J. Casey gave speeches saying the administration had the capability to preempt terrorist attacks.

Using the same language, both McFarlane and Casey said: "We cannot and will not abstain from forcible action to prevent, preempt or respond to terrorist acts where conditions merit the use of force. Many countries, including the United States, have the specific forces and capabilities we need to carry out operations against terrorist groups."

It could not be learned exactly what capabilities McFarlane and Casey were talking about. The CIA has extensive worldwide counterterrorist training operations

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Dozens of bystanders were killed and wounded in the March 8 car bombing in a Beirut suburb about 50 yards from the residence of Mohammed Hussein Fadlallah, leader of the Hezbollah (Party of God), a militant Shiite movement. A number of Fadlallah's bodyguards reportedly were killed in the explosion.

No one publicly has claimed responsibility for the bombing. Some Shiites accused the Israelis, who denied any involvement.

Numerous U.S. intelligence reports have tied Fadlallah directly to the series of terrorist attacks on American facilities in Lebanon in 1983 and 1984. According to one report, Fadlallah participated in an Oct. 20, 1983, planning meeting of terrorists in Damascus, Syria, three days before the suicide bombing of the Marine headquarters compound in Beirut that killed 241 U.S. servicemen. Intelligence reports also say that on the night of Oct. 22, 1983, just hours before the bombing, Fadlallah received and blessed the man who drove the truck carrying the explosives in the suicide bombing.

Fadlallah's group also was responsible for the more recent Sept. 20, 1984, bombing of the U.S. Embassy annex in Beirut, according to intelligence sources. Fadlallah has denied involvement in these terrorist actions.

A Lebanese intelligence source said: "My service did the [March 8] Fadlallah bombing. I believe it was done to show we are strong You've got to stop terrorism with terrorism."

The Lebanese source said that the CIA would have nothing to do with a car bomb because of the danger to innocent people. But the source contended that the CIA knew it was being planned.

U.S. sources emphatically denied any advance knowledge of the bombing and said immediate steps were taken after it occurred to cancel the entire covert operation.

The plan to form and train three teams of Lebanese capable of neutralizing or disabling terrorists before they could make planned attacks on American targets was approved after years of internal debate and increasingly tough Reagan administration rhetoric about how to respond to the wave of devastating terrorist attacks abroad.

Preemptive Strikes Difficult

The covert training and support program was set up under a presidential "finding" signed by Reagan. It specified that the teams of foreigners were to be used only with great care and only in situations where the United States had good intelligence that a terrorist group was about to strike. The teams were supposed to use the minimal force necessary to stop specific attacks. Several sources said this included the authority to kill suspected terrorists if that was the only alternative.

Conducting preemptive strikes is very difficult in practice, because they depend on intelligence information that is timely and accurate. However, sources said the U.S. capability to collect advance information on planned terrorist actions is improving.

After previous terrorist attacks on American facilities in the Middle East, U.S. officials learned they had had some clues, at times significant ones, before the event. But they were only discovered afterward, when analysts sorted through raw intelligence reports, communications intercepts and satellite photography.

Officials said the short-lived covert operation in Lebanon did not violate the presidential ban on involvement of U.S. personnel, directly or indirectly, in any type of assassination planning or operation. The prohibition dates to 1976, after congressional investigations uncovered such plots against Cuban President Fidel Castro and other foreign leaders.

Reagan administration officials reasoned that killing terrorists was "preemptive self-defense" rather than assassination, according to one source, who said, "Knocking off a guy who is about to kill you is no more assassination than a policeman getting off the first shot at a man pointing a shotgun at him."

Secretary of State George P. Shultz and national security affairs adviser McFarlane were chief proponents of the covert plan in Lebanon, sources said.

Shultz Urged Response

"State and the White House pushed this," one source said. According to this source, the final decision to approve the plan late last fall was made because of "Shultz's assertiveness and [Defense Secretary Caspar W.] Weinberger's reluctance to use force conventionally, and McFarlane's anger with terrorism."

Sources said that McFarlane was instrumental in developing a consensus from the disparate views of senior administration officials.

Shultz repeatedly has urged a strong response to terrorism, which he has called "barbarism that threatens the very foundations of civilized life." On the other hand, Weinberger has voiced reluctance to use military force without full public support.

Sources said that some senior intelligence officials opposed involving the intelligence agencies in what one official called "the ultimate covert action: an undercover hit squad." The revelations of previous assassination plots and the more recent public and congressional criticism of the CIA's involvement in a covert war against the leftist Sandinista government in Nicaragua made the CIA reluctant to undertake new operations, according to the sources.

The covert option was selected, the sources said, as a preferable alternative to the use of military force such as the guns of the battleship New Jersey or air strikes, which could kill or injure innocent civilians close to a terrorist camp.

The sources also said that training and supporting a covert team would avoid the possibility of live television coverage of U.S. military action and the visible use of American force in the Middle East, which previously had increased anti-American sentiment and more acts of terrorism. Compared with the alternatives, the sources said, a small team also would be the most cost-effective.

Two weeks after the unauthorized March 8 Beirut car bombing aimed at Fadlallah, McFarlane gave his speech that seemed to confirm the existence of some type of new counterterrorist capability. McFarlane said that in making a decision to react, "we need not insist on absolute evidence that the targets were used solely to support terrorism."

In his speech, "Terrorism and the Future of Free Society," McFarlane said he was outlining the "operating principles" of a presidential directive on terrorism. "Whenever we obtain evidence that an act of terrorism is about to be mounted against us, we have a responsibility to take measures to protect our citizens, property and interests," McFarlane said.

"Use of force in self-defense is legitimate under international law," he said. "It is explicitly sanctioned under Article 51 of the United Nations charter."

Sources said this speech and one given by Shultz on Dec. 9 in New York, "The Ethics of Power," were intended to express the rationale for administration policy.

Addressing an audience at Yeshiva University, Shultz said: "The Talmud upholds the universal law of self-defense, saying, 'If one comes to kill you, make haste and kill him first.' Clearly, as long as threats exist, law-abiding nations have the right and indeed the duty to protect themselves."

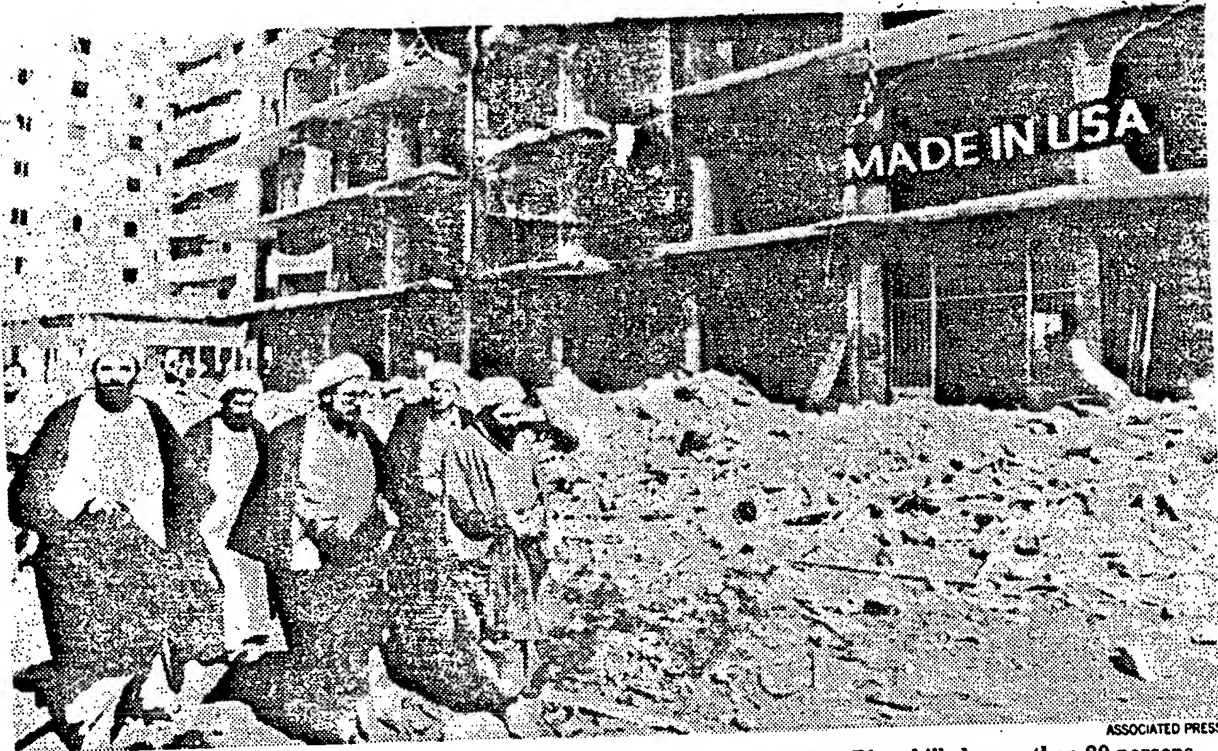
According to the sources, Reagan approved the covert "finding" authorizing CIA training and support for antiterrorist units in Lebanon just before Shultz gave the speech last December.

Mock-Up of Embassy Seen

Two sources said that the Sept. 20 terrorist bombing of the U.S. Embassy annex in Beirut last year helped persuade officials that they had to develop some means of preempting planned terrorist attacks. After the fact, officials learned that U.S. intelligence agencies had overhead satellite photographs of what is thought to be the van used in the suicide bombing.

Those photos showed the vehicle outside a mock-up of the embassy annex that the terrorists were using for a practice run, sources said. Although the connection was established after the fact, the sources said that, in the future, this kind of intelligence might be part of the basis for a preemptive attack.

One source argued that the decision to use a covert team



Apartment house in Beirut suburb after March 8 car-bombing in runaway mission. Blast killed more than 80 persons.

amounted to recreating for the CIA a role it played in its early years, before the Watergate scandal and subsequent congressional investigations of the agency dampened its ardor for clandestine operations.

Accordingly, this source said, Reagan's decision to authorize the covert team was "the final curtain on the legacy of both Vietnam and Watergate." Of all the Reagan administration's decisions on national security, this source said, "It was the most tricky, the most controversial and sensitive . . . [It] took the most goading to get change."

But when the operation went astray after the Lebanese went ahead with an unapproved car-bombing, officials involved in the plan felt they had no alternative to

canceling U.S. support for the antiterrorist squads.

One official who favored creation of the units said: "If you take terrorism seriously, as we must, you've got to realize that it could get worse If we had informa-

tion on some terrorists involved in nuclear detonation practice, you've got to act. No choice. That is the type of issue we are going to have to face, and we better be ready."

Staff researcher Barbara Feinman contributed to this report.

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The Operations Center

News Bulletin : The FBIS News Wire Service, No 049

15 May 1985
Item No 2

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FBIS 049

AL-SAFIR DETAILS U.S. INVOLVEMENT IN BEIRUT BOMBING INCIDENT

LD151056 KUWAIT KUNA IN ENGLISH 0949 GMT 15 MAY 85

(TEXT) BEIRUT, MAY 15 (KUNA) -- A LEBANESE DAILY NEWSPAPER UNCOVERED +NEW FACTS+ ABOUT THE INVOLVEMENT OF THE LEBANESE AND AMERICAN INTELLIGENCE AGENCIES IN THE CAR BOMB IN THE SOUTHERN SUBURB LAST MARCH 8 WHICH CLAIMED THE LIVES OF NEARLY 100 AND THE INJURY OF MORE THAN 200 OTHERS.

+AL-SAFIR+ NEWSPAPER SAID AN OFFICIAL OF THE LEBANESE INTELLIGENCE HAS VISITED WASHINGTON LAST OCTOBER AND AGREED WITH AMERICAN OFFICIALS TO SEND THREE GROUPS TO WASHINGTON +FOR COORDINATION AND COOPERATION.+

THE PAPER SAID THE LEBANESE OFFICIAL HAS MET DURING HIS VISIT TO THE U.S. WITH THE AMERICAN PRESIDENTIAL ADVISER FOR NATIONAL SECURITY AFFAIRS ROBERT MCFARLANE AND WITH THE DIRECTOR OF THE C.I.A.

THE PAPER, QUOTING RELIABLE SOURCES SAID THE FIRST GROUP OF OFFICERS WAS SENT TO WASHINGTON LAST JANUARY, THE SECOND WAS SENT LAST MARCH AND EACH SPENT TWO WEEKS THERE ON A TRAINING PROGRAM.

ONE OF THOSE OFFICERS, THE PAPER STRESSED, WAS THE NOTED BY THE WASHINGTON POST CLAIMING HIS GROUP'S RESPONSIBILITY FOR THE CAR BOMB OF BEIR AL-ABED.

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News Bulletin: The Wall Street Journal, Page 30

15 May 1985

Item No. 3

Politicizing Intelligence

We note some considerable irony in two stories now running in Washington: The FBI has rounded up five Indian Sikhs and charged them with plotting to assassinate Rajiv Gandhi when he visits the U.S. next month. And congressional committees want to investigate whether the CIA, as part of a counterterrorist program, once provided training for Lebanese who later took responsibility for a car bomb that killed 80 people.

The irony revolves around the issue of whether, in the violent world we live in today, you can combat terrorism at all, with methods civil or uncivil. Let's take the alleged plot to kill Rajiv Gandhi. He is prime minister of the world's most populous democracy, a nation that shows some signs, under his leadership, of greater warmth toward the U.S. and free-market capitalism after a long period of coolness bordering on hostility. His Russian neighbors have become increasingly nervous about his leanings; Pravda was practically hysterical in blaming all things Western and capitalist for the Bhopal disaster. India itself has suddenly experienced an outbreak of terrorist bombings. Mr. Gandhi of course inherited large problems with the Sikhs, but you can easily enough speculate that someone experienced in the fine art of destabilization has started to water and fertilize these discontents. The FBI arrests might be the tip of a very nasty-looking iceberg.

President Reagan, vigorously seconded by his secretary of state and every other top national security official, has asked all security agencies to mount whatever efforts they can to combat terrorism. That is hardly surprising. Pope John Paul II was shot, Indira Gandhi killed, Margaret Thatcher barely escaped a bomb, to name some of the more prominent targets. U.S. diplomats are in constant danger. Terrorists periodically blow up NATO's supply pipelines in Europe to prove that even military targets aren't secure.

There is and has been a pattern to all this. A Bulgarian government employee will go on trial in Rome this month for allegedly directing the attempt on the pope. The trigger man in this attempt, Ali Agca, was trained in a PLO terrorist camp. The PLO now operates in Nicaragua, helping train Western Hemisphere terrorists. Terrorism experts keep uncovering new links between the world's leading and most vicious terrorist organizations. There's usually some Soviet connection in the background.

It seems obvious to us that good intelligence is vital to U.S. security and to U.S. efforts to preserve something approaching political stability in the democratic world. Yet the U.S. agency primarily responsible for that task, the CIA, remains under political attack in its own headquarters city.

Matters have improved some. At least Congress finally stopped the left-wing Covert Action Information Bulletin from blowing the cover of CIA agents. But a sensible and low-key little CIA effort to mine Nicaragua's Corinto harbor, so as to deny Communist bloc weapons to the Nicaraguan Sandinistas, was exposed and killed with much political breast-beating last year. Then the "training manual" scandal was unearthed just before last November's presidential election, to prove that CIA support for Nicaragua's anti-communists was "immoral."

The latest Washington Post disclosure, on Sunday's front page, said that the CIA, under orders from President Reagan, late last year tried to mount a counterterrorist operation in Lebanon in cooperation with Lebanese security agents. The effort was in response to the terrorist bombing in October 1983 that killed 241 American servicemen and a similar attack last September on the U.S. Embassy in Beirut. The Post claimed that one of the units the CIA helped train was responsible for a car bomb attempt directed at Hussein Fadlallah, believed to be the leader of the Shiite fanatics responsible for the attacks on Americans. He escaped, but the bomb killed 80 people and wounded some 200 others. The Post said the CIA had opposed car bombing because of danger to bystanders and had severed its connections with the bombers four months before the attempt on Fadlallah. The CIA said it never conducted training "related to" the car bombing event.

Sen. Patrick Leahy, implying that Republicans aren't to be trusted, wants a separate inquiry by Senate intelligence committee Democrats into CIA doings. But Sen. Sam Nunn, another Democrat member, seems to have quietly disassociated himself from that effort. We sense that more and more politicians are becoming nervous over the constant political thrashings about real and imagined CIA misdeeds. Not everyone you meet in the intelligence business will be a saint, but we need all the intelligence we can get when no leader of a democratic country or institution is secure.

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The Operations Center

News Bulletin THE WASHINGTON POST, PAGE A35

16 MAY 1985
ITEM No. 2

Countering Terrorism Could Cost Innocent Lives,

Hill Is Told

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The Reagan administration's counterterrorism programs may lead to the killing of innocent bystanders on occasion during operations responding to terrorist acts, two top administration officials said yesterday.

Fred C. Ikle, undersecretary of defense for policy, and Robert B. Oakley, director of the State Department's office for counterterrorism, told a Senate hearing that administration policy-makers try to minimize the risks to bystanders as they weigh how to attack growing worldwide terrorism.

Sen. Thomas F. Eagleton (D-Mo.) raised the issue in pressing

Ikle for an explanation of whether the administration condoned a car bombing in Beirut in March that killed more than 80 people and that, according to a Washington Post report, was the work of a group hired by Lebanese working with the CIA.

Eagleton said he could not understand Reagan's policy because at different times, Secretary of State George P. Shultz has said innocent lives would be lost in responding to terrorists, while Reagan and Vice President Bush have said they did not want to endanger innocent lives.

"Can you help me on this?" Eagleton asked Ikle. "Can you help the country?" Referring to the "boo-boo in Beirut," Eagleton said he wanted to speak out about the use of U.S.

antiterrorist proxies before he was "silenced" by knowledge of classified material from a CIA briefing on the subject scheduled later in the day at the Senate Select Committee on Intelligence.

Ikle said he knew nothing of the Beirut bombing. He added, "There is a potential for the loss of innocent life in Philadelphia or Beirut," an apparent reference to the Philadelphia police shootout with the militant MOVE group.

Oakley said later that "it is completely misleading and unfair to imply the action in Beirut was the responsibility of the U.S. government. There's just no justification for that." But he also said "there are going to be times when innocent life is going to be taken."

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Sen. Jeremiah Denton (R-Ala.), a former Navy admiral and Vietnam prisoner of war who chaired the joint hearing of the Senate Judiciary subcommittee on terrorism and the Foreign Relations Committee, noted that the rules of warfare do not consider it a crime to kill civilians in pursuit of military targets.

Sen. Joseph R. Biden Jr. (D-Del.) broke in to say that while the rules of war are clear, "we're deciding now whether counterterrorism incidents rise to the level of warfare or whether we treat them as police actions."

"... We are trying to find out, have we already made a judgment? Have we elevated counterterrorism to a state of war? ..."

Office of Current Production and Analytic Support

The Operations Center

News Bulletin

: The FBIS Wire Service, FBIS 033 and 034

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16 May 1985

Item No. 3

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FBIS 033 (SEE 049 OF 15 MAY)

LEBANESE PAPER COMMENTS ON INTELLIGENCE CONNECTION WITH U.S.

TAKE 1 OF 2 -- (PAPER ON INTELLIGENCE CONNECTION)

ND160800 BEIRUT AL-SAFIR IN ARABIC 15 MAY 85 P 1,9

(SHAWQI RAFI* REPORT FROM WASHINGTON)

(EXCERPT) WHAT IS THE EXTENT OF THE RELATIONSHIP BETWEEN THE LEBANESE INTELLIGENCE SERVICE AND THE U.S. CIA? THIS IS THE QUESTION THAT HAS BEEN THE MAIN THEME OF U.S. MEDIA FOR THE 3D CONSECUTIVE DAY SINCE THE WASHINGTON POST EXPOSED THE SECRET OF THE EXPLOSION THAT KILLED DOZENS OF LEBANESE CITIZENS IN BIR AL-ABD.

AL-SAFIR HAS OBTAINED INFORMATION FROM A NUMBER OF RELIABLE SOURCES WHICH SHEDS SOME LIGHT ON WHAT HAS BEEN PUBLISHED IN U.S. NEWSPAPERS. MEANWHILE, LEBANESE OFFICIALS CONTINUE TO IGNORE THE +INFORMATION SCANDAL+ AND HAVE MADE NO MOVES TO REPLY TO THE ACCUSATIONS BEING LEVELLED AGAINST THEM.

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(CONTINUED)

OUR INFORMATION SAYS THAT WHEN PRIME MINISTER RASHID KARAMI AND NABIH BIRRI, MINISTER OF STATE FOR SOUTH LEBANON AND RECONSTRUCTION AFFAIRS, RETURNED FROM THE UNITED NATIONS ON 6 OCTOBER 1984, A PROMINENT LEBANESE INTELLIGENCE OFFICIAL ARRIVED IN WASHINGTON. HE SPENT A WEEK IN WASHINGTON. DURING THIS VISIT, A LEBANESE OFFICER ACCOMPANYING THE ABOVEMENTIONED OFFICIAL SAID THAT THE LATTER MET WITH ROBERT MCFARLANE, THE U.S. PRESIDENT'S ASSISTANT FOR NATIONAL SECURITY AFFAIRS. HE ALSO MET WITH A NUMBER OF CIA OFFICIALS TO COORDINATE WAYS OF +COMBATTING TERRORISM+. THE U.S. ADMINISTRATION AT THE TIME, AND FOLLOWING THE ATTACK ON THE U.S. EMBASSY IN BAKKAR, PLACED +COMBATTING TERRORISM+ AT THE TOP OF ITS PRIORITIES. BUT THE LEBANESE INTELLIGENCE OFFICIAL AT THE TIME DENIED THAT HE MET WITH MCFARLANE. HE SAID THAT HE ASKED TO MEET +HIS FRIEND MCFARLANE, BUT HE WAS BUSY AND HENCE THE MEETING WAS NOT HELD.+ IN REPLY TO ANOTHER QUESTION, HE DENIED MEETING WITH CIA DIRECTOR WILLIAM CASEY. BUT KNOWLEDGABLE SOURCES CONFIRMED HIS MEETING WITH CASEY. THE OFFICIAL SAID THAT COORDINATION WITH THE UNITED STATES INCLUDES PURCHASING NEARLY \$5 MILLION WORTH OF INTELLIGENCE EQUIPMENT.

THE INFORMATION ADDS THAT AMONG THE POINTS AGREED UPON BETWEEN U.S. AND LEBANESE INTELLIGENCE IS FOR LEBANON TO SEND THREE INTELLIGENCE MISSIONS TO THE UNITED STATES. EACH MISSION WILL SPEND 15 DAYS IN THE UNITED STATES TO WORK, TRAIN, AND COORDINATE WITH THE CIA ON COMBATTING TERRORISM. THE FIRST MISSION ARRIVED AT THE END OF LAST JANUARY, AND INCLUDED SIX OFFICERS: FOUR CHRISTIAN OFFICERS, ONE SHI'ITE OFFICER, AND ONE SUNNITE OFFICER.

THE SECOND MISSION ARRIVED LAST MARCH. ALL ITS MEMBERS WERE MARONITES. IT INCLUDED AN OFFICER WITH THE RANK OF MAJOR WHO OCCUPIED AN IMPORTANT POSITION IN LEBANESE INTELLIGENCE IN 1982-83 AND UNTIL THE BREAKOUT OF THE WAR IN THE MOUNTAIN. THE MISSION ALSO INCLUDED A COLONEL, A LIEUTENANT COLONEL, AND A MAJOR.

EACH OF THE TWO MISSIONS SPENT 15 DAYS IN THE UNITED STATES IN ACCORDANCE WITH AN AGREEMENT REACHED BETWEEN LEBANESE AND U.S. INTELLIGENCE SERVICES. BUT, INFORMED SOURCES SAID THAT OTHER LEBANESE INTELLIGENCE OFFICERS ARRIVED IN WASHINGTON ON VARIOUS PRETEXTS, SUCH AS MEDICAL TREATMENT, VACATIONS, ETC. THEY ARRIVED WITH OFFICIAL PAPERS SIGNED BY THEIR DIRECT SUPERVISORS.

INFORMED SOURCES BELIEVE THAT IT IS ONE OF THESE OFFICERS WHO WAS QUOTED BY THE WASHINGTON POST AS SAYING: +MY SERVICE CARRIED OUT THE ATTACK ON MUHAMMAD HUSAYN FADLALLAH ON 8 MARCH. I BELIEVE THE OPERATION WAS DONE TO SHOW THAT WE ARE STRONG...AND THAT YOU HAVE TO STOP TERRORISM WITH TERRORISM.+

INFORMED SOURCES SAY THAT THE FATE OF THE THIRD MISSION IS NOT KNOWN. THE MISSION MAY HAVE BEEN CANCELLED FOLLOWING THE SCANDAL CAUSED BY THE WASHINGTON POST REPORT.

FBIS 034

TAKE 2 OF 2 -- 033 (PAPER ON INTELLIGENCE CONNECTION)

///WASHINGTON POST REPORT.

NC160815

(EXCERPT) MEANWHILE, U.S. ADMINISTRATION OFFICIALS CONFIRMED THAT THE +CIA+ WORKED WITH A LEBANESE INTELLIGENCE TEAM WHICH HIRED THE AGENTS WHO CARRIED OUT THE ATTEMPT TO ASSASSINATE FADLALLAH.

IN A FRONT-PAGE REPORT, THE NEW YORK TIMES QUOTED AN ADMINISTRATION OFFICIAL AS SAYING THAT THE +CIA+ AND INTELLIGENCE SOURCES HAD BEEN TRYING TO BELITTLE THE IMPORTANCE OF THE RELATIONSHIP BETWEEN THE CIA AND COUNTERTERRORIST GROUPS LEST THE TERRORISTS WOULD CARRY OUT RETALIATORY OPERATIONS AGAINST AMERICANS WORKING IN LEBANON.

THE REPORT SAID THAT ON 3 APRIL PRESIDENT REAGAN SIGNED A LAW THAT WAS IMMEDIATELY PUT INTO EFFECT. UNDER THE LAW, PREEMPTIVE OPERATIONS ARE SANCTIONED AGAINST +TERRORISM+ AND AGAINST STATES THAT SPONSOR +TERRORISM.+ U.S. OFFICIALS HAVE BEEN QUOTED AS SAYING THAT THIS POLICY HAS RECEIVED THE SUPPORT OF SECRETARY OF STATE GEORGE SHULTZ, NATIONAL SECURITY ADVISER ROBERT MCFARLANE, AND +CIA+ DIRECTOR WILLIAM CASEY. THESE OFFICIALS SAID THAT AS A RESULT OF THIS ACTIVITY, U.S. INTELLIGENCE AGENTS AND MILITARY ELEMENTS HAVE BEGUN TRAINING, FINANCING, SUPPORTING, AND SHARING INFORMATION WITH COUNTERTERRORIST TEAMS FROM FRIENDLY COUNTRIES.

THESE OFFICIALS SAID THAT THERE ARE NO PLANS TO USE AMERICANS IN OTHER COUNTRIES, BUT THAT THERE IS A DEPENDENCE ON FOREIGNERS WORKING IN THE SERVICE OF OTHER GOVERNMENTS.

THESE OFFICIALS ADDED THAT +IN LEBANON, AMERICAN INTELLIGENCE WAS FOLLOWING THE TRAIL OF MUHAMMAD HUSAYN FADLALLAH. THE LEBANESE INTELLIGENCE SERVICE WAS ALSO FOLLOWING HIS TRAIL, BUT FOR DIFFERENT REASONS.+ THEY SAID THAT THE +CIA+ HAD NOT DECIDED WHAT IT WANTED TO DO WITH FADLALLAH, BUT SOME LEBANESE INTELLIGENCE OFFICIALS HAD THEIR OWN IDEAS. THEY COULD NOT ACT AGAINST HIM BECAUSE THEY ARE AN OFFICIAL ORGAN, AND THE SHI*ITES ARE PART OF THE LEBANESE GOVERNMENT. THEREFORE, AND IN ACCORDANCE WITH INFORMATION DERIVED FROM ADMINISTRATION OFFICIALS, THE LEBANESE INTELLIGENCE SERVICE HIRED FOREIGNERS TO CARRY OUT THE OPERATION.

OFFICIALS WERE COMMENTING ON THE STATEMENT WHICH THE +CIA+ ISSUED ON 13 MAY AND IN WHICH IT DENIED THAT IT HAD TRAINED THOSE WHO CARRIED OUT THE BOMBING OPERATION IN THE BIR AL-*ABD AREA. THE NEW YORK TIMES, HOWEVER, DESCRIBED THE STATEMENT AS NOT TOUCHING ON THE CORE OF THE SUBJECT. IT SAID THAT THE +CIA+ DENIED, FOR EXAMPLE, THAT IT HAD TRAINED THOSE WHO CARRIED OUT THE BOMBING OPERATION, BUT THE STATEMENT DID NOT CONTAIN A SPECIFIC DENIAL THAT THE AGENCY IS WORKING WITH LEBANESE INTELLIGENCE.

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The CIA in Trouble

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The latest front-page appearance of the Central Intelligence Agency drives home a familiar lesson. It provides one more piece of irrefutable evidence that the United States should engage in ambitious covert operations only with the utmost caution.

Even if the agency were absolutely first class in such matters—which it isn't—the nature of American society makes exposure of failure practically certain. When that occurs, American agents become subject to retaliation, and a precious resource of national security, the whole intelligence community, gets a black eye.

Terrorism in Lebanon provides the background to the most recent fiasco. As that country began to disintegrate in factional warfare last year, Americans on the spot became increasingly subject to violent incidents, ranging from threats through kidnapping to such strikes as the car-bomb attacks on the U.S. Embassy and the Marine headquarters in Beirut. Several top officials—including Secretary of State George Shultz, CIA Director William Casey and National Security Adviser Robert McFarlane—came to the conclusion the United States should develop, if only to protect this country's agents, a covert capacity to penetrate and preempt action by anti-American terrorist organizations.

At the end of 1984, President Reagan signed the order authorizing such action. Reagan's decision was cleared with the chairmen and vice chairmen of the House and Senate Intelligence committees. Backed by those mandates, the CIA began to develop a covert counterintelligence capability in cooperation with the intelligence arm of the Lebanese government of President Amin Gemayel.

The Lebanese regime happens to be more a faction among factions than a central government. After receiving American training in counterterrorism, Lebanese intelligence agents went into business for themselves. On March 8 they attempted to wipe out Mohammed Hussein Fadlallah, the leader of an extremist Shiite group thought to be responsible for terrorist attacks against Americans in Lebanon.

A powerful bomb was exploded near his home in the outskirts of Beirut. Some 80 people were killed by the explosion—but not Fadlallah. The story of that fiasco then leaked. An account was published in The Washington Post of May 12. Even before the story was out, various parties began running for cover.

Some officials in the CIA claimed they had always insisted that the operation be limited to fact-gathering, because anti-terrorist operations were too dangerous. The CIA itself put out a statement saying it had "no foreknowledge of the bombing incident . . ." The agency also disclaimed "any training of Lebanese security forces" involved in the March 8 incident.

Other intelligence operatives blamed Congress for leaking, and the press for publishing, the story. They asserted vengeance would now be wreaked on American agents in Lebanon. Patrick Leahy of Vermont, the new Democratic vice chairman of the Senate Intelligence Committee, indicated he wanted to put some questions—as if he were not bound by the actions of the previous vice chairman.

Second-guessing failure is nearly as odious as trying to shift the blame to others. But there are certain constants that run back from the Beirut incident through the mining of Nicaraguan harbors to many previous episodes. They provide a set of the givens, the normal ingredients that have to be considered in planning any covert operations—the material for first-guessing.

For one thing, the United States is an open society. Government agencies are constantly bickering with one another. They take their complaints to Congress and to the press and television. It is naive to the point of criminal stupidity to suppose that large-scale operations, if they do not succeed, can long be kept covert. Failure will out.

Second, working with foreign agents is particularly tricky. They have their own agendas. They usually have scores to settle with various parties in their own country. Some of their targets are not necessarily the targets of American foreign policy. Foreigners working in the terrorist field especially tend to be flaky—and therefore doubly unreliable.

Third, the cost of publicized failure runs very high. The intelligence community comes back into the headlines, and into the public pillory. American agents abroad do become subject to retaliation. A major asset of foreign policy is thus weakened, if not rendered inoperative. The loss incurred almost always dwarfs the wrong that was to be righted.

Extreme caution, in these circumstances, should be exercised before engaging in covert operations. But the Reagan administration has thrown caution to the winds. Except for the oversight committees of Congress, it has practically wiped out institutional checks on dubious intelligence business. It has converted the president's Foreign Intelligence Advisory Board into a haven for right-wingers. And it has continued at the helm of Central Intelligence a figure who combines insensitivity to ethical questions with a gung-ho spirit when it comes to clandestine operations of the most extensive kind—William Casey.

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